

APPENDIX 2^{1 2}

I. Rates and Charges for Transportation and Termination of Traffic³

- A. The Reciprocal Compensation Traffic Termination rate element that applies to Reciprocal Compensation Traffic on a minute of use basis for traffic that is delivered to an End Office is **\$0.0071951***.
- B. The Reciprocal Compensation Traffic Termination rate element that applies to Reciprocal Compensation Traffic on a minute of use basis for traffic that is delivered to Tandem Switch is **\$0.0112825♦**.
- C. The Tandem Transiting Charge is **\$0.00408740***.
- D. Entrance Facility Charge: **See Intrastate Access Tariff**

¹ All rates and/or rate structures set forth herein, that are marked with an asterisk ("*"), as applied to wholesale discount of retail Telecommunications Services, unbundled Network Elements or call transport and/or termination of Reciprocal Compensation Traffic purchased for the provision of Telephone Exchange Service or Exchange Access, shall be interim rates and/or rate structures. These interim rates and/or rate structures shall be replaced on a prospective basis by such permanent rates and/or rate structures (applicable to wholesale discount of retail Telecommunications Services, unbundled Network Elements or call transport and/or termination of Reciprocal Compensation Traffic purchased for the provision of Telephone Exchange Service or Exchange Access) as may be approved by the Commission and if appealed as may be ordered at the conclusion of such appeal.

² Certain of the rates and charges set forth within, as indicated by an "diamond" (♦), are arbitrated rates taken from the previously arbitrated Interconnection, Resale and Unbundling Agreement between Verizon and AT&T Communications, which was approved by the Commission in an Order dated December 12, 1996, in Docket Nos. 265-MA-102 and 2180-MA-100. Verizon has agreed to use and to incorporate herein such arbitrated rates subject to the following: The Parties expressly agree (1) that such arbitrated rates shall not be deemed to have been voluntarily negotiated by the Parties and such arbitrated rates are not subject to interstate MFN obligations under Appendix D, Sections 31 and 32, of the Merger Order; and (2) that, for purposes of calculating Reciprocal Compensation, the arbitrated rates shall not apply to Internet Traffic. The foregoing shall not, in any way, limit any other term, condition, limitation or reservation of right in the Verizon California terms that applies to rates. The Parties further agree that the Commission's Order in Docket Nos. 265-MA-102 and 2180-MA-100, to the extent such Order established the arbitrated rates, shall be deemed "arbitrated" under Paragraph 5(E) of the adoption letter.

³ All rates and charges specified herein are pertaining to the Interconnection Attachment of the Verizon California terms.

II. Services Available for Resale

The avoided cost discount for all Resale services is 18.45%⁴.

Non-Recurring Charges (NRCs) for Resale Services

Pre-ordering

CLEC Account Establishment Per CLEC	\$273.09
Customer Record Search Per Account	\$ 11.69

Ordering and Provisioning

Engineered Initial Service Order (ISO) - New Service	\$311.98
Engineered Initial Service Order - As Specified	\$123.84
Engineered Subsequent Service Order	\$ 59.61
Non-Engineered Initial Service Order - New Service	\$ 42.50
Non-Engineered Initial Service Order - Changeover	\$ 21.62
Non-Engineered Initial Service Order - As Specified	\$ 82.13
Non-Engineered Subsequent Service Order	\$ 19.55

Central Office Connect	\$ 12.21
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Outside Facility Connect	\$ 68.30
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Manual Ordering Charge	\$ 12.17
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Product Specific

NRCs, other than those for Pre-ordering, Ordering and Provisioning, and Custom Handling as listed in this Appendix, will be charged from the appropriate retail tariff. No discount applies to such NRCs.

Custom Handling

Service Order Expedite:

Engineered	\$ 35.48
Non-Engineered	\$ 12.59

Coordinated Conversions:

ISO	\$ 17.76
Central Office Connection	\$ 10.71
Outside Facility Connection	\$ 9.59

Hot Coordinated Conversion First Hour:

ISO	\$ 30.55
Central Office Connection	\$ 42.83
Outside Facility Connection	\$ 38.34

Hot Coordinated Conversion per Additional Quarter Hour:

ISO	\$ 4.88
Central Office Connection	\$ 9.43
Outside Facility Connection	\$ 8.37

⁴ In compliance with the FCC Order approving the Merger of GTE Corporation and Bell Atlantic (CC Docket No. 98-1840), Verizon will offer limited duration promotional discounts on resold residential exchange access lines. The terms and conditions on which these promotional discounts are being made available can be found on Verizon's web site, at <http://www.gte.com/wise> for former GTE service areas and <http://www.bell-atl.com/wholesale/html/resources.htm> for former Bell Atlantic service areas.

Application of NRCs

Pre-ordering:

CLEC Account Establishment is a one-time charge applied the first time that QuantumShift orders any service from the Verizon California terms.

Customer Record Search applies when QuantumShift requests a summary of the services currently subscribed to by the end-user.

Ordering and Provisioning:

Engineered Initial Service Order - New Service applies per Local Service Request (LSR) when engineering work activity is required to complete the order, e.g. digital loops.

Non-Engineered Initial Service Order - New Service applies per LSR when no engineering work activity is required to complete the order, e.g. analog loops.

Initial Service Order - As Specified (Engineered or Non-Engineered) applies only to Complex Services for services migrating from Verizon to QuantumShift. Complex Services are services that require a data gathering form or has special instructions.

Non-Engineered Initial Service Order - Changeover applies only to Basic Services for services migrating from Verizon to QuantumShift. End-user service may remain the same or change.

Central Office Connect applies in addition to the ISO when physical installation is required at the central office.

Outside Facility Connect applies in addition to the ISO when incremental field work is required.

Manual Ordering Charge applies to orders that require Verizon to manually enter QuantumShift's order into Verizon's Secure Integrated Gateway System (SIGS), e.g. faxed orders and orders sent via physical or electronic mail.

Custom Handling (These NRCs are in addition to any Preordering or Ordering and Provisioning NRCs):

Service Order Expedite (Engineered or Non-Engineered) applies if QuantumShift requests service prior to the standard due date intervals.

Coordinated Conversion applies if QuantumShift requests notification and coordination of service cut over prior to the service becoming effective.

Hot Coordinated Conversion First Hour applies if QuantumShift requests real-time coordination of a service cut-over that takes one hour or less.

Hot Coordinated Conversion Per Additional Quarter Hour applies, in addition to the Hot Coordinated Conversion First Hour, for every 15-minute segment of real-time coordination of a service cut-over that takes more than one hour.

III. Prices for Unbundled Network Elements

Monthly Recurring Charges

Local Loop⁵

2 Wire Analog Loop (inclusive of NID)	\$ 32.00 *
4 Wire Analog Loop (inclusive of NID)	\$ 50.00 ♣
2 Wire Digital Loop (inclusive of NID)	\$ 32.00 ♣
4 Wire Digital Loop (inclusive of NID)	\$ 50.00 ♣
DS-1 Loop	\$ 171.19 *
DS-3 Loop	\$ 1122.95 *

Supplemental Features:

ISDN-BRI Line Loop Extender	\$ 4.50 *
DS1 Clear Channel Capability	\$ 24.00*

Sub-Loop

2-Wire Feeder	\$ 13.26 *
2-Wire Distribution	\$ 31.96 *
4-Wire Feeder	\$ 28.23 *
4-Wire Distribution	\$ 57.47 *
2-Wire Drop	\$ 5.23 *
4-Wire Drop	\$ 5.47 *
Inside Wire	BFR

Network Interface Device (leased separately)

Basic NID:	\$ 1.30 ♣
Complex (12 x) NID	\$ 1.40 OK ♣

Switching Port

Basic Analog Line Side Port	\$ 3.37 *
*Coin Line Side Port	\$ 7.39 *
*ISDN BRI Digital Line Side Port	\$ 18.11 *
DS-1 Digital Trunk Side Port	\$ 48.00 ♣
*ISDN PRI Digital Trunk Side Port	\$ 252.39 *

Usage Charges (must purchase Port)

Local Central Office Switching	
(Overall Average MOU)	\$.005524 *Common Shared Transport
Transport Facility (Average MOU/ALM)	\$.000012 *
Transport Termination (Average MOU/Term)	\$.000151 *
Tandem Switching (Average MOU)	\$.002889 *

Terminating to Originating Ratio	1.00*
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⁵ In compliance with the FCC order approving the merger of GTE Corporation and Bell Atlantic (CC Docket No. 98-1840), Verizon will offer limited duration promotional discounts on residential UNE Loops and UNE Advance Services Loops. The terms and conditions on which these promotional discounts are being made available can be found on <http://www.gte.com/wise> for former GTE service areas and <http://www.bell-atl.com/wholesale/html/resources.htm> for former Bell Atlantic service areas.

* Michigan Commission Rates, Case No. U-11832

Dedicated Transport Facilities

CLEC Dedicated Transport	
CDT 2 Wire	\$ 32.00 ♣
CDT 4 Wire	\$ 50.00 ♣
CDT DS1	
First System	\$ 135.00 ♣
Additional System	\$ 125.00 ♣
CDT DS3 Optical Interface	\$ 1,125.00*
CDT DS3 Electrical Interface	\$ 1,500.00 ♣
Interoffice Dedicated Transport	
IDT DS0 Transport Facility per ALM	\$.26 *
IDT DS0 Transport Termination	\$ 10.72 *
IDT DS1 Transport Facility per ALM	\$ 4.07 *
IDT DS1 Transport Termination	\$ 40.00 ♣
IDT DS3 Transport Facility per ALM	\$ 38.38 *
IDT DS3 Transport Termination	\$ 201.74 *
Multiplexing	
DS1 to Voice Multiplexing	\$ 179.96 *
DS3 to DS1 Multiplexing	\$ 500.00 ♣
DS1 Clear Channel Capability	\$ 24.00*

Unbundled Dark Fiber

Unbundled Dark Fiber Loops/Sub-Loops	
Dark Fiber Loop	TBD
Dark Fiber Sub-Loop - Feeder	TBD
Dark Fiber Sub-Loop - Distribution	TBD
Unbundled Dark Fiber Dedicated Transport	
Dark Fiber IDT -Facility	TBD
Dark Fiber IDT -Termination	TBD

UNE-P Pricing

MRCs. The MRC for a UNE-P will generally be equal to the sum of the MRCs for the combined UNEs (e.g. the total of the UNE loop charge plus the UNE port charges in the Agreement (see Note A) plus: UNE local switching (per minute originating usage plus T/O factor to determine terminating minutes) based on UNE local switching rates in the Agreement plus UNE shared transport and tandem switching (based on factors for percent interoffice and tandem switch usage, plus assumed transport mileage of 10 miles and 2 terms) based on UNE shared transport rates in the Agreement plus UNE Vertical Services charges (optional per line charges, if allowed by the Agreement).

(Note A): UNE platforms are available in four loop/port configurations as shown below. If the price for any component of these platforms is not set forth herein, Verizon will use the ICB process to determine the appropriate price and TBD pricing shall apply.

UNE Basic Analog Voice Grade Platform consists of the following components:
UNE 2-wire Analog loop; and
UNE Basic Analog Line Side port

UNE ISDN BRI Platform consists of the following components:
UNE 2-wire Digital loop; and
UNE ISDN BRI Digital Line Side port

UNE ISDN PRI Platform consists of the following components:
UNE DS1 loop; and
UNE ISDN PRI Digital Trunk Side port

UNE DS1 Platform consists of the following components:
UNE DS1 loop; and
UNE DS1 Digital Trunk Side port

NRCs

Optional NRCs will apply as ordered by the CLEC including such charges as Expedites, Coordinated Conversions, loop Conditioning, etc.

Operator Services and Directory Assistance Services (OS/DA). If QuantumShift does not initially utilize available customized routing services to re-route OS/DA calls to its own or another party's operator services platform, Verizon will bill the CLEC for OS/DA calls at a market-based ICB rate pending QuantumShift's completion of a separate OS/DA agreement.

NON-RECURRING CHARGES - LOOP & PORT

Service Ordering (Loop or Port)	
Initial Service Order, per order	\$47.25*
Transfer of Service Charge, per order	\$16.00*
Subsequent Service Order, per order	\$24.00*
Installation	
Unbundled Loop, per loop	\$ 9.75*
Unbundled Port, per port	\$ 9.75*
Loop Facility Charge, per order (See Note 1)	\$53.50*

Note 1: The Loop Facility Charge will apply when field work is required for establishment of a new unbundled loop service.

NON-RECURRING CHARGES - OTHER UNE's

LOCAL WHOLESALE SERVICES	Ordering 100% Manual	Ordering Semi- Mech.	Provisioning Initial Unit	Add'l Unit
UNBUNDLED NID*				
Exchange – Basic	\$ 27.06	\$ 18.83	\$ 33.99	N/A
UNBUNDLED SUB-LOOP*				
Exchange - FDI Feeder Interconnection - Initial	\$ 36.32	\$ 26.88	\$ 46.20	\$ 24.97
Exchange - FDI Feeder Interconnection - Subsequent	\$ 15.01	\$ 11.83	\$ 16.99	\$ 7.22
Exchange - FDI Distribution Interconnection - Initial	\$ 36.32	\$ 26.88	\$ 61.90	\$ 30.36
Exchange - FDI Distribution Interconnection - Subsequent	\$ 15.01	\$ 11.83	\$ 16.99	\$ 7.22
Exchange - Serving Terminal Interconnection - Initial	\$ 36.32	\$ 26.88	\$ 28.99	\$ 15.51
Exchange - Serving Terminal Interconnection - Subsequent	\$ 15.01	\$ 11.83	\$ 13.23	\$ 6.41
UNBUNDLED DARK FIBER*				
Advanced - Service Inquiry Charge	\$ 249.82	\$ 249.82	N/A	N/A
Advanced - Interoffice Dedicated Transport - Initial	\$ 63.85	\$ 63.85	\$153.14	\$110.28
Advanced - Unbundled Loop - Initial	\$ 63.85	\$ 63.85	\$148.37	\$106.54
Advanced - Sub-Loop Feeder - Initial	\$ 63.85	\$ 63.85	\$148.37	\$106.54
Advanced - Sub-Loop Distribution - Initial	\$ 63.85	\$ 63.85	\$151.78	\$102.80
ENHANCED EXTENDED LINK (WITH MANUAL AND SEMI-MECHANIZED OPTIONS)*				
Advanced - Basic - Initial	\$ 88.39	\$ 56.13	\$397.31	N/A
Advanced - Basic - Subsequent	\$ 38.02	\$ 21.89	\$ 49.53	N/A
DS0 - Initial	\$ 88.39	\$ 56.13	\$482.99	N/A
DS0 - Subsequent	\$ 38.02	\$ 21.89	\$ --	N/A
DS1/DS3 - Initial	\$ 97.94	\$ 65.68	\$384.08	N/A
DS1/DS3 - Subsequent	\$ 38.02	\$ 21.89	\$ 9.90	N/A
LOOP CONDITIONING⁶* (No charge for loops 12,000 feet or less)				
Loop Conditioning - Bridged Tap	N/A	N/A	\$ 886.59	\$ 28.84
Loop Conditioning - Load Coils	N/A	N/A	\$ 1098.10	\$ 53.24
Loop Conditioning - Load Coils / Bridged Tap	N/A	N/A	\$ 1397.02	\$ 82.08

⁶ These charges are interim and subject to retroactive true-up back to the Effective Date of this adoption of the Verizon California terms.

UNE PLATFORM*

Exchange – Basic - Initial	\$ 31.57	\$ 22.13	\$ 28.23	\$ 26.58
Exchange - Basic - Subsequent	\$ 16.44	\$ 13.26	\$ 1.08	\$ 1.08
Exchange - Basic - Changeover	\$ 19.93	\$ 15.54	\$ 0.90	\$ 0.90
Exchange - Complex Non-Digital - Initial	\$ 41.35	\$ 27.53	\$162.41	\$ 31.70
Exchange - Complex Non-Digital - Subsequent (Port Feature)	\$ 16.44	\$ 13.26	\$ 5.89	\$ 5.89
Exchange - Complex Non-Digital - Subsequent (Switch Feature Group)	\$ 20.82	\$ 13.26	\$ 22.73	\$ 22.73
Exchange – Complex Non-Digital - Changeover (As Is)	\$ 22.35	\$ 17.96	\$ 3.61	\$ 3.61
Exchange – Complex Non-Digital - Changeover (As Specified)	\$ 30.08	\$ 21.31	\$ 20.97	\$ 3.61
Exchange – Complex Digital - Initial	\$ 41.35	\$ 27.53	\$205.75	\$ 28.18
Exchange – Complex Digital - Subsequent (Port Feature)	\$ 16.44	\$ 13.26	\$ 5.15	\$ 5.15
Exchange – Complex Digital - Subsequent (Switch Feature Group)	\$ 20.82	\$ 13.26	\$ 22.73	\$ 22.73
Exchange – Complex Digital - Changeover (As Is)	\$ 22.35	\$ 17.96	\$ 4.18	\$ 4.18
Exchange – Complex Digital - Changeover (As Specified)	\$ 30.08	\$ 21.31	\$ 80.98	\$ 4.18
Advanced – Complex - Initial	\$ 48.35	\$ 34.53	\$681.24	\$303.66
Advanced – Complex - Subsequent	\$ 20.82	\$ 13.26	\$ 65.81	\$ 48.47
Advanced – Complex - Changeover (As Is)	\$ 24.06	\$ 19.67	\$ 51.51	\$ 34.17
Advanced – Complex - Changeover (As Specified)	\$ 37.08	\$ 28.31	\$ 82.31	\$ 64.97

DEDICATED TRANSPORT*

Advanced – Basic - Initial	\$ 95.49	\$ 63.01	\$ 428.58	N/A
Advanced – Basic - Subsequent	\$ 45.12	\$ 28.77	\$ 58.20	N/A
Advanced – Complex - Initial	\$105.04	\$ 72.56	\$ 584.49	N/A
Advanced – Complex - Subsequent	\$ 45.12	\$ 28.77	\$ 86.80	N/A

COORDINATED CONVERSIONS*

Exchange – Standard Interval - Per Qtr. Hour	\$ 30.72	\$ 30.50	N/A	N/A
Exchange – Additional Interval - Per Qtr. Hour	\$ 26.97	\$ 26.75	N/A	N/A
Advanced – Standard Interval - Per Qtr. Hour	\$ 22.92	\$ 22.69	N/A	N/A
Advanced – Additional Interval - Per Qtr. Hour	\$ 21.12	\$ 20.89	N/A	N/A

HOT-CUT COORDINATED CONVERSIONS*
(Only available for 2-wire analog loops)

Exchange – Standard Interval - Per Hour	\$108.80	\$108.57	N/A	N/A
Exchange – Additional Interval - Per Qtr. Hour	\$ 26.97	\$ 26.75	N/A	N/A
Advanced – Standard Interval - Per Hour	\$ 83.43	\$ 83.20	N/A	N/A
Advanced – Additional Interval - Per Qtr. Hour	\$ 21.12	\$ 20.89	N/A	N/A

CUSTOMIZED ROUTING

BFR	BFR	BFR	BFR
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EXPEDITES*

Exchange Products	\$ 3.36	\$ 3.36	N/A	N/A
Advanced Products	\$ 25.80	\$ 25.80	N/A	N/A

OTHER*

Customer Record Search (per account)	\$ 4.21	\$ -	N/A	N/A
CLEC Account Establishment (per CLEC)	\$166.32	\$166.32	N/A	N/A

LINE SHARING - CLEC OWNED SPLITTER*

CLEC Splitter Connection - Initial	\$ 32.19	\$ 22.52	\$ 53.04	\$ 47.29
CLEC Splitter Connection - Subsequent	\$ 13.24	\$ 9.83	\$ 14.49	\$ 13.53

Application of NRCs

Preordering:

CLEC Account Establishment is a one-time charge applied the first time that QuantumShift orders any service from the Verizon California terms.

Customer Record Search applies when QuantumShift requests a summary of the services currently subscribed to by the end-user.

Ordering and Provisioning:

Initial Service Order (ISO) applies to each Local Service Request (LSR) and Access Service Request (ASR) for new service. Charge is Manual (e.g. for a faxed order) or Semi-Mechanized (e.g. for an electronically transmitted order) based upon the method of submission used by the CLEC.

Subsequent Service Order applies to each LSR/ASR for modifications to an existing service. Charge is Manual or Semi-Mechanized based upon the method of submission used by the CLEC.

Advanced ISO applies per LSR/ASR when engineering work activity is required to complete the order.

Exchange ISO applies per LSR/ASR when no engineering work activity is required to complete the order.

Provisioning – Initial Unit applies per ISO for the first unit installed. The Additional Unit applies for each additional unit installed on the same ISO.

Basic Provisioning applies to services that can be provisioned using standard network components maintained in inventory without specialized instructions for switch translations, routing, and service arrangements.

Complex Provisioning applies to services that require special instruction for the provisioning of the service to meet the customer's needs.

Examples of services and their Ordering/Provisioning category that applies:

Exchange-Basic: 2-Wire Analog, 4-Wire Analog, Standard Sub-Loop Distribution, Standard Sub-Loop Feeder, Drop and NID.

Exchange-Complex: Non-loaded Sub-Loop Distribution, Non-load Sub-Loop Feeder, Loop Conditioning, Customized Routing, ISDN BRI Digital Line Side Port and Line Sharing.

Advanced-Basic: 2-Wire Digital Loop, 4-Wire Digital Loop

Advanced-Complex: DS1 Loop, DS3 Loop, Dark Fiber, EELs, and ISDN PRI Digital Trunk Side Port

Conditioning applies in addition to the ISO, for each Loop or Sub-Loop UNE for the installation and grooming of Conditioning requests.

DS1 Clear Channel Capability applies in addition to the ISO, per DS1 for the installation and grooming of DS1 Clear Channel Capability requests.

Changeover Charge applies to UNE-P and EEL orders when an existing retail, resale, or special access service is already in place.

Service Inquiry – Dark Fiber applies per service inquiry when a CLEC requests Verizon to determine the availability of dark fiber on a specific route.

Custom Handling (These NRCs are in addition to any Preordering or Ordering and Provisioning NRCs):

Service Order Expedite applies if QuantumShift requests service prior to the standard due date intervals and the expedite request can be met by Verizon.

Coordinated Conversion applies if QuantumShift requests notification and coordination of service cut-over prior to the service becoming effective.

Hot Coordinated Conversion First Hour applies if QuantumShift requests real-time coordination of a service cut-over that takes one hour or less.

Hot Coordinated Conversion Per Additional Quarter Hour applies, in addition to the Hot Coordinated Conversion First Hour, for every 15-minute segment of real-time coordination of a service cut-over that takes more than one hour.

IV. Rates and Charges for 911

TBD

V. Fiber Optic Patchcord Cross Connect

See Wisconsin Local Network Access Tariff, P.S.C. W5, Section 5.18.6